

**Minutes of Meeting**  
**Health Services Council**  
**Project Review Committee-I**

**DATE: 18 January 2005**

**TIME: 3:00 PM**

**LOCATION: Health Policy Forum**

**ATTENDANCE:**

**Committee I: Present: Edward F. Almon, Joseph V. Centofanti, MD, John W. Flynn, Robert S.L. Kinder, MD, Robert J. Quigley, DC, (Chair), Robert Ricci,**

**Not Present: Victoria Almeida, Esq, (Vice Chair), Robert L. Bernstein, John Keimig, Marvin Greenberg, Robert Whiteside, John Young**

**Other Members: Present: Catherine E. Graziano, RN, Ph.D.**

**Staff: Valentina D. Adamova, Michael K. Dexter, Donald C. Williams**

**Public: (see attached)**

**1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Time Extension for the Minutes Availability**

The meeting was called to order at 3:00 PM. Staff noted that conflict of interest forms are available to any member who may have a conflict. The Chairman stated that due to the Open Meetings Act the minutes of the meetings have to be available to the public by the next meeting date or within thirty-five days, which ever is sooner. The Chairman noted that the next meeting might not occur within thirty-five days or the minutes might not be available by the next meeting. He further noted that there is an allowable exception whereby the availability of the minutes may, by a majority vote, be extended. A motion was made, seconded and passed by six in favor and none opposed (6-0) that the availability of the minutes for this meeting be extended beyond the time frame provided for under the Open Meetings Act. Those members voting in favor were: Almon, Centofanti, Flynn, Kinder, Quigley, Ricci.

## **2. General Order of Business**

The first item on the agenda was the application of Beacon Hospice, Inc. [a Delaware Corporation] for a change in effective control of Allen of Michigan, Inc. d/b/a Beacon Hospice located at 1 Catamore Boulevard in East Providence. Staff stated that at the request of the Committee staff met with the applicant to discuss the issue of equity. Staff stated that a letter from the applicant was included in the mailing. Staff stated that based on discussion there will be sufficient

equity invested into the company. Staff noted that the selling price of Allen of Michigan, Inc. ("Allen of Michigan") is a discounted price while the actual value is about \$40-\$45 million. Staff stated that they received notices from the state of Maine and Rhode Island regarding Allen of Michigan's facilities, which stated that they were in compliance. Staff stated that a survey in Massachusetts in June of 2004 cited deficiencies and according to the applicant the facility was in compliance upon revisit. Staff stated that the mailing included the information that the applicant provided regarding the deficiencies cited. Staff stated that based on the Committee's request the mailing also include the CV for the Medical Director, a chart with a list of all the documents, valuation of the Rhode Island facility, and job descriptions for the Medical Director and RN. Staff stated that Betty J. Brennan represents the applicant.

Ms. Brennan discussed the survey information. She stated that currently the Rhode Island facility is undergoing a mock survey, which is used to assure quality. She stated that there have been no complaints with regards to the Rhode Island facility. The Chairman requested that the results of the mock survey be provided at the next meeting.

Ms. Brennan stated that all of the surveys at the Rhode Island facility have been with zero deficiencies. She stated that Allen of Michigan was CHAP reaccredited in March and received commendations. She stated that there are random record reviews every week, and that the

**company added a documentation analyst, VP of QA, and a person with Medicare background in hospice to the quality improvement team.**

**To the question regarding the financing, the applicant stated that it would be between Beacon Hospice, Inc. and American Capital Strategies, Ltd. To the question of competition, Mr. LaPoint stated that Allen of Michigan has several facilities, and has an advantage by having a regionally dense footprint that would be hard to achieve.**

**To the question of who is in charge of the patient, Ms. Brennan stated that by the conditions of participation when the patient is accepted the hospice is in charge of the patient and all of the case management and services and recommendations to provide that care.**

**Dr. Vohr, certified hospice physician and Medical Director of VNA Hospice and Hattie Ide Chaffee Home (“HIC”) made the following comments:**

- o The person in charge of the patient is the patient’s physician not Beacon Hospice.**
- o All things that Beacon Hospice does are supposed to go through the physician to be justified.**
- o There have been unethical practices of Beacon Hospice.**
- o Beacon Hospice’s staff solicited patients from HIC and reviewed patients’ charts at night to find candidates.**
- o It takes 2 doctors to sign a person to a hospice Medicare benefit;**

one is the Medical Director for Beacon Hospice and the other is the attending physician.

- o Beacon Hospice signed some of Dr. Vohr's patients unknown to him.

- o He remains in charge of the patients when it's his patient.

- o He never heard from Dr. McDonald despite requests to discuss this.

- o Beacon's staff solicited staff at HIC to work for Beacon and some did.

- o A patient's son, whose parent he refused to sign on hospice benefit because the parent did not meet the standards, was told he had to get a new doctor.

- o He filed complaints with the Attorney General's Office several times.

The Chairman requested that the applicant submit his statement in written form to the Office of Health Systems Development. Staff inquired if Dr. Vohr filed any complaints with the Office of Facilities Regulation to which Dr. Vohr said no.

Ms. Brennan stated the following:

- She was unfamiliar with any complaints related to this facility.
- Several staff members did leave WIH and joined Beacon but there were no active solicitations.
- If Beacon were to solicit staff from long term care facilities Beacon wouldn't be in business very long.
- Most of the time Beacon asks people to get permission from their

**Directors of Nursing to be able to interview with Beacon and sometimes for fear of reprisal people may leave the facility and look for work in the hospice field.**

- Beacon never had to solicit patients in a facility.**
- Many patients die in long-term care facilities.**
- Solicitation can be confused with a very involved participation in a long-term care facility and the education involved with the staff.**
- One of Beacon's commendations in the CHAP accreditation process was that it has the highest number of nurses certified in hospice and palliative care of any hospice that had recently been recently surveyed.**
- Another commendation was the education that Beacon provides and the number of people that are competent and certified in the field.**
- Another commendation was that Beacon had a program where patients and families or facilities were contacted on days where there isn't a visit being made, so that we are being proactive in dealing with any pain or symptoms that occurs.**
- CHAP accreditors had never seen a program like that and felt it was certainly worthy of notation, that Beacon was very proactive in its ability to handle patients, very comprehensively and look at all the issues involved.**

**Ms. Brennan stated that the hospice is on-call 24 hours a day. She noted that the hospice is in charge of the patient and that it is the family and the patient who elect the hospice benefit. She noted that its not the physician's decision to discharge a patient from hospice**

rather it's the patient's and the patient's family decision to revoke the hospice benefit. She stated that the hospice has a key role in case managing and in consultation at all times with the attending physician.

To the question of how often the Medical Director visits a facility, the applicant stated that there is no requirement for the Medical Director to visit a facility and that the Medical Director would make a visit if the inter-disciplinary team feels that there needs to be some intervention that's not being dealt with by the attending physician.

The Chairman requested the Dr. McDonald, the Medical Director, attend the next meeting to which the applicant agreed.

The Committee discussed the concerned raised by Dr. Vohr. To Dr. Vohr's statement of staff recruitment, staff noted that recruiting is not illegal or unethical. Additionally, Dr. Vohr agreed that he doesn't know for a fact that there was an arrangement between a HIC's former employee and Beacon to enhance Beacon's census. Ms. Brennan stated that she has no information relating to this matter.

Dr. Vohr stated that Beacon needs to demonstrate that the practices that concern him have been straightened

Ms. Brennan stated that she would like to have the opportunity to meet with Dr. Vohr and Dr. McDonald to address his concerns.

**Discussion ensued regarding how hospice benefit is elected and who is in charge of the patient's care.**

**A motion was made, seconded and passed by a vote of six in favor and none opposed (6-0) to recommend that the application be approved to go before Health Services Council conditioned upon the applicant maintaining its accreditation and that the financing as presented will be represented in writing. Those members voting in favor were: Almon, Centofanti, Flynn, Kinder, Quigley, Ricci.**

**Staff stated that the next meeting of the Health Services Council is schedule for 25 January 2005. The Chairman requested that the Medical Director for Beacon Hospice be presented at that meeting and that the mock survey result be provided.**

**There being no further business the meeting was adjourned at 4:00 PM.**

**Respectfully submitted,**

**Valentina D. Adamova**